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FISCAL IMPACT STATEMENT

LS 6386

BILL NUMBER: HB 1058

NOTE PREPARED: Jan 26, 2012

BILL AMENDED: Jan 25, 2012

SUBJECT: Adoption of Budget for Reorganized School.

FIRST AUTHOR: Rep. Baird

FIRST SPONSOR:

BILL STATUS: 2nd Reading - 1st House

FUNDS AFFECTED: X **GENERAL**
DEDICATED
FEDERAL

IMPACT: State & Local

Summary of Legislation: (Amended) The bill permits two or more school corporations to publish notices, hold public hearings, and take final action for the adoption of property tax levies, property tax rates, and a budget for the reorganized school corporation after the voters approve a plan of reorganization in a general election.

The bill provides that a conversion charter school must publish its estimated annual budget for the ensuing year.

Effective Date: July 1, 2012.

Explanation of State Expenditures: The Department of Local Government Finance (DLGF) may have some additional administrative work if schools corporations were to utilize this process.

Explanation of State Revenues:

Explanation of Local Expenditures: (Revised) The bill allows two or more schools that are consolidating to build their budget as a single school corporation instead of individually after the current statutory deadlines for the following calendar year. There could be an increase in cost of publishing notices in the local newspapers since the schools would have already adopted and published separate budgets and tax rates, and then after the election they could develop budgets and tax rates for the reorganized school corporation.

The cost of requiring a conversion charter school to publish its estimated annual budget for the ensuing year

should be minor. There is currently only one conversion charter school in Indiana.

Background: If the consolidated school corporations decide to adopt budgets, rates, and levies for the consolidated school corporation, then they would have to publish notices before November 24 and adopt the tax levies, rates, and budgets before December 6. The county auditor is then required to certify the adopted property tax levies, rates, and budgets before December 8 for the following calendar year.

Explanation of Local Revenues:

State Agencies Affected: Department of Local Government Finance.

Local Agencies Affected: Local schools.

Information Sources:

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